



## Application Process

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### Overview

The purpose of this application is to provide subsidies in the form of grants to selected applicants for the rehabilitation of owner-occupied housing for low and moderate-income people. Through this program, IHEDA seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate Community Development Block Grant funds to be used for Owner-Occupied Repair (CDBG OOR) among selected applicants having projects that meet the requirements of the program and IHEDA's goals for the program:

1. Demonstrate they are meeting the needs of their specific community.
2. Attempt to reach low and very low-income levels of area median income.
3. Are ready to proceed with the activity upon receipt of the award.
4. Propose to revitalize existing neighborhoods, preferably through a comprehensive approach (i.e. as part of a published and approved community revitalization plan).
5. Propose projects that promote aging in place strategies for seniors, families with seniors, and persons with disabilities.
6. Propose projects that promote healthy family strategies for families with children under the age of 18.
7. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure.

In addition, IHEDA encourages the use of Minority Business Enterprise and/or Women-Owned Business Enterprise and Indiana contractors, employees, and products when applicants are planning and undertaking their housing activities.

### Funding Round Timelines

Note: This is an anticipated schedule and is subject to change or extension.

#### *Round 1*

Application Webinar	May 2013
Application Due Date	June 28, 2013
Award Announcements	August 22, 2013
Award Workshop	September 2013

#### *Round 2*

Application Webinar	January 2014
Application Due Date	March 7, 2014
Award Announcements	April 24, 2014
Award Workshop	May 2014

### Application Webinar

An application webinar will be conducted prior to each application deadline. During the webinar, the IHEDA Real Estate Production Department staff will describe the requirements of the CDBG OOR program, threshold and scoring criteria, how to complete the required forms and how to utilize the FTP site. Local Units of Government and Not-for-Profit entities intending to apply are *required* to attend.





### **Technical Assistance**

The applicant may, but is not required, to schedule a technical assistance meeting with its regional IHCDA Real Estate Production Analyst to discuss both the proposed project and IHCDA's application process. Technical may be required at IHCDA's discretion if the recipient does not have experience with IHCDA awards or if past performance was poor. Applicants are urged to contact its Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

### **Application Submission**

The applicant must submit the following items to IHCDA's Real Estate Department Coordinator:

- Via FTP site:
  - One completed copy of the final application forms
  - All supporting documents required in the tabs
- Via hard copy:
  - One completed copy of the final application forms with original signatures

All required application items are due no later than 5:00 p.m. Indianapolis time on or before the due date. Applications received after the deadline will be returned to the applicant via certified mail. Faxed applications will not be accepted.

Instructions on how to utilize the FTP site will be explained during the Application Webinar. The hard copy of the final application forms should be sent to:

Indiana Housing and Community Development Authority  
ATTN: Real Estate Department Coordinator  
RE: CDBG OOR Application  
30 South Meridian Street, Suite 1000  
Indianapolis, IN 46204

All applicants must retain a copy of this application package. Applicants that receive funding will be bound by the information contained herein.

IHCDA will provide the applicant contact with a confirmation number within one (1) week of receipt of the application.

### **Application Review**

Each application must address only one project. Applications are reviewed in a three-step process:

- |                                |   |
|--------------------------------|---|
| <u>Step One</u> - Completeness | On or before the application deadline, the applicant must provide all required documents, signatures and attachments.   |
| <u>Step Two</u> - Threshold    | The application must meet each of the applicable threshold criteria. After initial threshold review, IHCDA staff may contact an applicant to request clarification of information contained in the pending application. The applicant will have the opportunity to respond on or before the due date provided by IHCDA. If the applicant does not |





respond to the clarification letter and therefore threshold item(s) are still in question, the application will be disqualified. Applications may have no more than three outstanding clarifications after the second review or the application will be disqualified. Points will be awarded to those applications where no clarifications are required.

#### Step Three - Scoring

Applications that pass the completeness and threshold reviews are then scored according to IHCDA's published scoring criteria.

Funded applications will be announced at the published IHCDA Board Meeting date. Confirmation letters and score sheets will be uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications that are not funded will be notified by IHCDA via a denial letter and score sheets being uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications not funded will not be rolled over into the next funding round.

#### **CDBG & HOME Award Compliance Manual**

The Compliance Manual outlines the requirements for administering IHCDA's CDBG awards. A complete copy of the Compliance Manual is available on IHCDA's website here:

<http://www.in.gov/myihcda/2342.htm>

#### **Award Compliance Trainings**

IHCDA will offer a training to explain the various aspects of the regulatory requirements for administering the award. Topics covered will include funds management, required record keeping, and forms and reports that must be submitted to IHCDA. In addition, IHCDA staff will be available to provide one-on-one award trainings upon request. All new applicants and those who have had difficulty administering awards in the past are strongly encouraged to take advantage of these trainings.





**Eligible Applicants**

Community Development Block Grant (CDBG)	Cities, Town, and Counties (Non-CDBG Entitlement Community)	Community Housing Development Organization (CHDO)	501(c)3 and 501(c)4 Not-for-Profit Organizations	Joint Venture Partnerships	For Profit Entities organized under the State of Indiana
Owner-Occupied Rehabilitation	X				
Community Development Block Grant Disaster (CDBG-D)					
Owner-Occupied Rehabilitation	X		X		

**CDBG OOR Funds**

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of CDBG entitlement communities and whose proposed activities are consistent with the State’s HUD-approved Consolidated Plan. Not-for-profit 501(c)3 or 501(c)4 organizations, CHDOs, public housing authorities, regional planning commissions, or townships are encouraged to participate in activities as subrecipients of local units of government but must apply through a sponsoring eligible city, town, or county.

The following entitlement communities are not eligible to apply for CDBG funds:

- |             |              |                  |                |               |                |
|-------------|--------------|------------------|----------------|---------------|----------------|
| Anderson    | East Chicago | Gary             | Indianapolis** | LaPorte       | New Albany     |
| Bloomington | Elkhart      | Goshen           | Kokomo         | Michigan City | South Bend     |
| Carmel      | Evansville   | Hamilton County* | Lafayette      | Mishawaka     | Terre Haute    |
| Columbus    | Fort Wayne   | Hammond          | Lake County    | Muncie        | West Lafayette |

\*The Town of Sheridan excluded when the housing activity is outside of Hamilton County. The Town of Arcadia is excluded.

\*\*Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is outside of Marion County.

**CDBG Disaster OOR Funds**

Eligible applicants include not-for-profit 501(c)3 or 501(c)4 organizations, cities, towns, or counties that are located in Indiana, whose proposed activities are consistent with the State’s HUD-approved Disaster Plan and are NOT located in the one of the following ineligible CDBG Disaster (CDBG-D) counties:

- |           |         |          |        |          |
|-----------|---------|----------|--------|----------|
| Blackford | Clinton | Delaware | Howard | Lagrange |
| Miami     | Steuben | Tipton   | Warren | Wells    |





### **Ineligible Applicants**

IHCDA reserves the right to disqualify from funding any application that has either an applicant, subrecipient, administrator, preparer or related parties of any of the aforementioned has a history of disregarding the policies, procedures, or staff directives associated with administering any program administered by IHCDA or programs administered by any other State, Federal, or affordable housing entities, including but not limited to the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development, or the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the Compliance Manual Chapter 17.

### **Religious and Faith-Based Organizations**

Organizations that are religious or faith-based are eligible to participate in the CDBG programs on the same basis as any other organization. Organizations that are directly funded under the CDBG program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the assistance. If an organization conducts such activities, the activities must be offered separately, in time or location, from the assistance funded under this part, and participation must be voluntary for the beneficiaries of the assistance provided.

A religious organization that participates in the CDBG program will retain its independence from Federal, State, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct CDBG funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities, without removing religious art, icons, scriptures, or other religious symbols. In addition, a CDBG-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents. An organization that participates in the CDBG program shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.





## Eligible Activities & Program Requirements

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### Eligible Activities

This program is intended to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the rehabilitation of owner-occupied housing.

- To be eligible for owner-occupied repair (OOR), the homeowner beneficiary must be low-income and must occupy the property as a principal residence. A household owns a property if that household:
  - Has fee simple title to the property; or
  - Maintains a 99-year leasehold interest in the property; or
  - Owns a condominium; or
  - Owns or has a membership in a cooperative or mutual housing project that constitutes homeownership under state law; or
  - Maintains an equivalent form of ownership approved by HUD.
  - Ownership **does not** include life estates and land contracts/contracts for deeds.
  - The property cannot be located in a 100-year flood plain.
- Eligible repairs include:
  - Minor repairs which can include an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, hazardous structural conditions, etc.
  - Any major household system repaired or replaced as part of the rehabilitation process must meet the stricter of the Indiana State Building Code or local building codes.
  - Funds may be used to remedy conditions that, while not posing an immediate threat to health and safety, represent an ongoing threat to the structural integrity of a building and may eventually result in an emergency situation.
- Rehabilitation of owner-occupied manufactured homes. Manufactured homes are eligible if they meet IHCD's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
  - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
    - Shall have been constructed after January 1, 1981, and must exceed nine hundred fifty (950) square feet of occupied space per I.C. 36-7-4-1106 (d);
    - Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;
    - Has wheels, axles and towing chassis removed;
    - Has a pitched roof;
    - Consists of two (2) or more sections which, when joined, have a minimum dimension of 20' X 47.5' enclosing occupied space; and
    - Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
    - All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHCD.





### **Ineligible Activities**

Eligible housing activities **do not** include:

- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- The provision of project-based tenant rental assistance;
- Rehabilitation of mobile homes;
- Acquisition, rehabilitation, or new construction located within the boundaries of a one hundred (100)-year floodplain;
- Rehabilitation of multi-family or single-family rental housing.

IHCDA **does not** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, or gender identity in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities;
- Medical research or medical profit-making enterprises.

### **OOR Program Requirements**

The proposed CDBG OOR project must follow these minimum requirements, and all other requirements laid forth in the Compliance Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's Compliance Manual. The link and the appropriate chapter are included.

- Recipients must comply with all regulatory requirements listed in [24 CFR Part 570](#).
- The homeowner beneficiary must be income eligible. Each household must have an annual income equal to or less than 80% of the area median family income for the target area. The HUD Part 5 definition of income applies. (IHCDA [Compliance Manual](#), Income Verification Chapter 8)
- Each homeowner beneficiary assisted with CDBG-D funds must execute a Duplication of Benefits Affidavit ("Affidavit") a copy of which will be attached to the applicant's award agreement with IHCDA as Appendix A. This Affidavit must be maintained in the applicant's client files.
- Income verification is valid for a period of six months. If more than six months pass between income verification and contract execution a new income verification will be completed. (IHCDA [Compliance Manual](#), Income Verification Chapter 8)
- The homeowner beneficiary must own the property and must occupy the property as a principal residence. (IHCDA [Compliance Manual](#), Policy Requirements Chapter 1)
  - If there is a long-term lease agreement on the property, a 99-year lease must be recorded in the county recorder's office of the county in which the property is located prior to award document preparation.
  - Ownership does not include life estates and land contracts/contracts for deeds.
- All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur at the completion of the documented scope of work and prior to the IHCDA Inspector's final physical inspection. The second inspection will be conducted upon completion of the construction for the award. The IHCDA Inspector will conduct the physical inspections. (IHCDA [Compliance Manual](#), Construction Standards & Physical Inspections Chapter 14)





- Provide a minimum of two (2) public hearings, each at a different stage of the process, for the purpose of obtaining citizens’ input and responding to proposals and questions. (IHCDA [Compliance Manual](#), Policy Requirements Chapter 1)
- The match/leverage requirement for both the CDBG and CDBG-D programs is ten percent (10%) of the total amount of CDBG or CDBG-D funds drawn minus administration costs. (IHCDA [Compliance Manual](#), Policy Requirements Chapter 1)
- All applicants are required to complete the environmental review record (ERR) and submit it with application submission as an application Threshold item. The resulting IHCDA Release of Funds is required before fully executed award documents are released and before proceeding with the project. (IHCDA [Compliance Manual](#), Environmental Review Chapter 11). For more information, contact the IHCDA Design and Construction Review Manager.
- Award recipients will be required to provide proof of adequate builder’s risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award. Additionally, owner-occupied rehabilitation must also stipulate that adequate property insurance be maintained throughout the affordability period. (IHCDA [Compliance Manual](#), Procurement Procedures Chapter 10)
- The recipient must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the CDBG award. (IHCDA [Compliance Manual](#), Procurement Procedures Chapter 10)
- Each recipient of a CDBG award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed. (IHCDA [Compliance Manual](#), Lead Based Paint Chapter 2)
- Each recipient of a CDBG award is subject to the requirements of the Uniform Relocation Act. See the IHCDA’s [Compliance Manual](#) Chapter 4 on URA for guidance on the regulatory requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, the Federal regulations at [49 CFR Part 24](#), and the requirements of [Section 104\(d\) of Title I of the Housing and Community Development Act of 1974, as amended](#).
- Every recipient must demonstrate that it will complete an action to affirmatively further fair housing during the time frame of an award. (IHCDA [Compliance Manual](#), Fair Housing and Civil Rights Chapter 5)
- Recipients receiving \$200,000 or more in construction funding from all CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects. (IHCDA [Compliance Manual](#), Section 3 Chapter 7)
- All CDBG and CDBG-D subsidies must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The affordability period begins after project completion. During the affordability period the home must remain the owner’s principal place of residency; and the homeowner is required to maintain adequate homeowner insurance on the property. (IHCDA [Compliance Manual](#), Lien and Restrictive Covenants & Affordability Requirements Chapter 15)

Amount of CDBG or CDBG-D subsidy per unit:	Affordability Period
Under \$5,000	1 year
\$5,000.01 - \$10,000	2 years





Amount of CDBG or CDBG-D subsidy per unit:	Affordability Period
Over \$10,000.	3 years

- If the homeowner sells the property to another a low-income family that will use the property as its principal residence throughout the remainder of the affordability period, the homeowner will not be required to repay the funds. The term “low income family” shall mean a family whose gross annual income does not exceed eighty percent (80%) of the median family income for the geographic area published annually by HUD. The purchasing family should pay no more than twenty-nine percent (29%) of its gross family income towards the principal, interest, taxes, and insurance for the property on a monthly basis. The homeowner selling the property will be allowed to receive a fair return on investment, which will include the homeowner’s investment and any capital improvements made to the property. The award recipient must execute a lien and restrictive covenant prepared by IHCDA. The award recipient is ultimately responsible for repaying IHCDA any CDBG or CDBG-D funds invested into any unit that does not meet the affordability requirements throughout the Affordability Period. The Affordability Period is based upon the total amount of CDBG or CDBG-D funds invested into the unit. (IHCDA Compliance Manual, Lien and Restrictive Covenants & Affordability Requirements Chapter 15)





## Subsidy Limitations & Eligible Activity Costs

### Subsidy & Budget Limitations

The maximum request amount per application is \$350,000.

CDBG and CDBG-D funds may not exceed \$25,000 per unit.

Combined CDBG and CDBG-D funds budgeted for program delivery, award administration, and environmental review cannot exceed twenty percent (20%) of the CDBG award.

### Eligible Activity Costs

The bolded items listed below are included in the application budget. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

**RETAINAGE POLICY** - IHCDA will hold the final \$5,000.00 of an award until the completion reports, leverage documentation, and closeout documentation is received and approved. Additionally, IHCDA will hold the final \$5,000.00 of an award until the final monitoring and final inspection have been completed and all findings and/or concerns associated with them have been resolved.

**REHABILITATION** – Eligible costs include:

- Hard costs associated with rehabilitation activities for owner-occupied repairs. Examples of eligible repairs are an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, hazardous structural conditions, etc.
- Lead-based paint interim controls and abatement costs.
- Mold remediation.
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety. Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served.

**PROGRAM DELIVERY** - Program delivery costs are those costs that can be directly tracked by address. They include soft costs and client-related costs that are reasonable and necessary for the implementation and completion of the proposed activity. This line item along with administration and environmental review cannot exceed twenty percent (20%) of the CDBG request. Recipients are allowed to draw down this line item as costs are incurred. Additionally, program delivery may be used to payoff a HOME CHDO Predevelopment or CHDO Seed Money loan but may not exceed the twenty percent (20%) line item cap.

Eligible costs include:

- |   |                               |
|---|-------------------------------|
| • Engineering/Architectural Plans       | • Inspections                 |
| • Credit reports                        | • Cost estimates              |
| • Client in-take / Income verification  | • Building permits            |
| • Plans, specifications, work write-ups | • Recording fees              |
| • Credit reports                        | • Demolition permits          |
| • Title Searches                        | • Travel to and from the site |
| • Impact fees                           | • Legal and accounting fees   |





**RELOCATION** - This includes relocation payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, nonprofit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHCD's Compliance Manual.

**LEAD HAZARD TESTING** – Costs associated with lead hazard testing includes Risk Assessment, Clearance Test, etc. The limits for this line item are \$1000.00 per unit.

**ADMINISTRATION** - The administration line item includes those costs directly related to administering the IHCD award and complying with the regulations associated with these funds. This line item along with program delivery and environmental review cannot exceed twenty percent (20%) of the CDBG request and generally is between \$5,000 and \$10,000. Recipients are allowed to draw down this line item as costs are incurred. Costs associated with preparing an application for funding through IHCD are not eligible for reimbursement through a CDBG award.

Eligible costs include:

- Postage
- Office materials and supplies
- Photocopying
- Office rent and utilities
- Travel related to the housing activity
- Communication costs
- Lead based paint training
- Staff time or professional services related to reporting, compliance, monitoring, or financial management
- Training related to the housing activity

**ENVIRONMENTAL REVIEW** – This line item includes expenses associated with the Environmental Review Release of Funds process. This does not refer to a Phase I Environmental Assessment. Those expenses should be included in the Program Delivery line item. This line item along with program delivery and administration cannot exceed twenty percent (20%) of the CDBG request. Eligible costs for this line item are generally between \$2,000 and \$5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 of the IHCD Compliance Manual or contact Adrienne Schmetzer, IHCD Design and Construction Review Manager.

#### Ineligible Activity Costs

- Commercial development costs - CDBG awards cannot be used to underwrite any portion of commercial development costs.
- Replacement Reserves – Funds used to initially capitalize a reserve fund used for major capital repairs to a permanent supportive or rental housing facility. These funds cannot be applied to a CDBG award. These funds can be capitalized either through operating cash flow or through the development budget on the Uses of Funds exhibit.
- Operating Reserves – Funds used to initially capitalize a reserve fund that covers operating expenses when there are rental income shortfalls over the life of a permanent supportive or rental development. This line item must be included on the Uses of Funds exhibit. These funds cannot be applied to a CDBG award.
- Developer's Fee – CDBG funds cannot be used to pay developer's fees.





- Costs associated with preparing an application for funding through IHCD.
- Purchase or installation of luxury items, such as swimming pools or hot tubs.
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Purchase or installation of stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners.
- Providing tenant based rental assistance.
- Mortgage default/delinquency correction or avoidance.
- Loan guarantees.
- Annual contributions for operation of public housing.
- Costs associated with any financial audit of the recipient.



## Completeness & Threshold Criteria

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Each proposed project must satisfy the Federal requirements of the CDBG program and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the criteria listed below.

### Completeness

- **Timeliness** – All documentation must be turned in by the application due date.
  - On or before the application deadline, the applicant must provide all documentation as instructed in this Application Process Handbook as well as required documentation listed in the CDBG Application Form.
  - If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
  - Any forms that are late will be denied review and will be sent back to the applicant.
- **Responsiveness** – All questions must be answered and all supporting documentation must be provided.
  - The applicant must provide all documentation as instructed in this Application Process Handbook as well as required documentation listed in the CDBG Application Forms.
  - The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)
  - Required signatures must be originally signed.

Completeness Checklist	Y or N
Is every question answered?	
Are all required signature pages signed?	
Was the Application Form uploaded to the FTP site by the due date?	
Are all required Tab Attachments uploaded to the FTP site by the due date?	
Was a hard copy of the Application Form with original signatures sent to IHCDA by the due date?	



**Threshold Guidance & Checklist**

Items that MUST be submitted as part of Threshold Review are indicated in italics. After initial threshold review, IHCDA staff may contact the applicant for further clarification of an item. Failure to respond to the requested clarification items by the due date and in the manner requested will result in application denial.

TAB	DESCRIPTION	INCLUDED AS ATTACHMENT? Y or N or NA
Application Cover Page		
A	The Applicant must maintain System for Award Management (“SAM”), formerly Central Contractor Registration (“CCR”). <a href="http://www.sam.gov">www.sam.gov</a>  <i>Provide proof of SAM registration and/or status.</i>	
Application Summary		
B	If the proposed project previously received funding directly from HUD or Rural Development, the applicant must send a notification letter to the appropriate HUD or Rural Development office.  <i>Provide copy of the letter along with proof of sending.</i>	
C	If applicant is a Not-for-Profit organization, a letter of notification of the proposed project should be sent to the highest elected official in the project area’s Local Unit of Government.  <i>Provide a copy of the letter along with proof of sending.</i>	
D	Not-for-Profit applicants, subrecipients, and administrators organized under the State of Indiana must provide proof of organization and that they are in good standing.  <i>Submit a copy of the Certificate of existence from the Indiana Secretary of State that is no more than six months old.</i>	
E	Environmental Review Record – Please refer to the Environmental Review Guide for specific details on completing the ERR.  <i>Submit the completed ERR forms, the original publisher's affidavit, flood determinations, site specific photographs and an OOR Priority Checklist (if available) for each identified home. The OOR Priority Checklist can be found as an appendix at the end of this Application Package document.</i>	
	Maximum Income Levels  Applicants may find the IHCDA 2013 Federal Program Income Limits as RED Notice RED-13-09 or <a href="#">here</a> .	
Project Narrative		
	It is important that the project is well planned and that the proposed project will satisfy a housing need in your area – i.e. the need for owner-occupied rehabilitation for a specific population. Address the following items when	



	describing the project. You can also find these items on the application form by floating your cursor over the narrative questions.	
	1) Project Description: Describe the project concept, including the rationale for selecting the current project form, and details of the project including size, number of units, location, etc.	
	2) Amenities in and around the project: Describe the amenities that the project will provide to beneficiaries along with amenities within close proximity to the project area that beneficiaries will benefit from.	
	3) Area's needs the project will meet: Describe the community need for the project along with the impact the project will have on the community as a whole.	
	4) Community support and/or opposition to the project: Describe the support and/or opposition the community has for the project. List community leadership (individuals, agencies, elected officials, organizations, etc.) that support and/or oppose the project. Also describe any public outreach that has taken place to ensure/gain community support for the project.	
	5) Constituency served by the project: Describe the project's intended customers or beneficiaries and discuss the project's impact on those individuals or families. Please explain why the proposed project is the best possible solution for the beneficiaries.	
	6) Partnerships created to enhance the project: Identify the partnerships, formal and informal, that were created as a result of the project concept and the role the partnerships have in the project?	
	7) Project quality: Describe the elements of the project (can include services provided, materials used, organizational/financial support, etc.) that will help produce a high quality project for both the beneficiaries and the community.	
F	<p>8) Target area: Describe the project location and why this area was selected. The target area is the geographic location in which a potential housing project may take place. Depending on how urban or rural the surroundings, it might be as small as a neighborhood or as large as a county. Describe how you determined this was the appropriate area for your project.</p> <p><i>Attach a scaled map that includes: the project area boundaries and the specific OOR sites with a map key labeling the site addresses. If the project is in multiple counties, please submit a labeled county map for each county that includes the specific OOR sites with a map key labeling the site addresses. Attach in Tab G.</i></p>	
	9) Effective use of resources: Describe the steps taken by your organization to ensure resources, both non-IHCDA and IHCDA funds, are being used effectively to positively impact beneficiaries and the	



	community.	
	<p>10) Unique features: <b>Briefly</b> describe the unique features of the project. Unique features should be a creative addition to the proposed OOR program. They should enhance the overall character of your project, improve the homeowners’ and the community’s quality of life, health, and safety. Unique features can be included in the financial structure of the project, involve members of the community, include items specific to the target area/project location or could include special services offered to the population served.</p> <p>More information and supporting documentation will be required later in the application.</p>	
	<p>Services: <b>Briefly</b> describe any services that will be provided to beneficiaries. More information and supporting documentation will be required later in the application.</p>	
Leverage		
G	<p>Leverage Spreadsheet</p> <p><i>Submit a completed Leverage Spreadsheet with all required support documents.</i></p>	
G	<p>Commitment Letters</p> <p><i>Provide originally signed Letters of Commitment for any match/leverage or other sources contributing to the project.</i></p>	
Sources and Uses		
H	<p>List all sources of grants to the project that do not require repayment. Also, list the IHCDA award request amount made in this application.</p>	
H	<p><i>Attach letters of commitment from all other funders in Tab H.</i></p>	
H	<p>List all sources of private or public cash donations to the project.</p> <p><i>Attach letters of commitment in Tab H.</i></p>	
H	<p>List all in-kind contributions to the development phase of the housing activity, including construction, materials, volunteer labor, waived fees, portion of sale price below appraised value, etc.</p> <p><i>Attach letters of commitment, appraisal, or purchase agreement in TAB H.</i></p>	
Project Characteristics – See Page 20 of this document for more details.		
I	<p>Aging in Place: Narrative</p> <p><i>Submit a narrative explaining the specific proposed OOR improvements for the AIP project and how these improvements will enhance accessibility, livability and visitability. Attach in Tab I.</i></p>	
	<p>Comprehensive Community Development: Narrative</p> <p>An explanation of how this project is part of a larger revitalization effort will</p>	



	be explained by answering the questions in the Narrative and Need section of the application.	
I	<p>Comprehensive Community Development OOR Projects: Evidence of a Plan</p> <p><i>Submit ALL OF THE BELOW in Tab I as evidence that this project is part of a comprehensive revitalization or development plan:</i></p> <ul style="list-style-type: none"> <li>▪ <i>Copy of the entire plan;</i></li> <li>▪ <i>A short narrative about the efforts that lead to the creation of the plan and how the need for owner-occupied rehabilitation was identified as an area need to be included in the plan;</i></li> <li>▪ <i>A bulleted list that includes page numbers of where to find:</i> <ul style="list-style-type: none"> <li>○ <i>References to the need for affordable owner-occupied rehabilitation in the project target area</i></li> <li>○ <i>An evaluation of current area conditions</i></li> <li>○ <i>Public participation</i></li> </ul> </li> </ul>	
I	<p>Comprehensive Community Development OOR projects: Target Area</p> <p><i>Submit a scaled map that includes the project area boundaries and the specific OOR sites with a map key labeling the site addresses. Clearly label the boundaries and indicate the size of the target area. Attach in Tab I.</i></p>	
I	<p>Comprehensive Community Development OOR projects: Evidence of Adoption</p> <p><i>Submit a copy of the resolution by the Local Unit of Government adopting the plan in Tab I.</i></p>	
I	<p>Comprehensive Community Development OOR projects: Local Support</p> <p><i>Submit a letter from the highest elected local official certifying that the OOR project will assist in the revitalization of the specific neighborhood or area. Attach in Tab I.</i></p>	
I	<p>Services:</p> <ul style="list-style-type: none"> <li>▪ <b>One</b> <i>Form A: Homeowner Investment Plan Matrix listing all services for the entire proposed OOR program (found at the end of this Application Package);</i></li> <li>▪ <i>Form B: Homeowner Investment Plan Matrix for each service provider with original signatures (found at the end of this Application Package);</i></li> <li>▪ <i>A brief narrative explaining how these services will enhance the targeted population for the proposed OOR project.</i></li> </ul>	
Readiness		
J	<p>Client Intake</p> <p>Applicant, sub-recipient, or administrator has already begun client intake. Client intake must include income verification. Beneficiaries that have not been appropriately income-verified per the HUD Part 5 definition should not be included in the list. List needs to include client name and information</p>	



	<p>pertinent to the target population being served.</p> <p><i>Submit a copy of the Client Intake list in Tab J.</i></p>	
J	<p>Public Hearing</p> <p>Two public hearings are required. One public hearing MUST occur prior to application. The following is required in order for the applicant to meet threshold requirements.</p> <p><i>Provide the ALL of the following in Tab J:</i></p> <ul style="list-style-type: none"> <li>• <i>Original tear sheet or original publisher’s affidavit of legal notice that includes the date of the public hearing and the date of notice publication. Under Indiana Code (I.C. 5-3-1-2 (B)) there must be a minimum of one legal notice at least ten (10) calendar days prior to the public hearing.</i></li> <li>• <i>Describe methods used to solicit participation of low and moderate-income persons.</i></li> <li>• <i>A copy of the sign-in sheet.</i></li> <li>• <i>A copy of the minutes of the public hearing, which must include the date and time of the meeting, the name and title of the person running the meeting and anyone who presented at the meeting, and all content posed to the public.</i></li> <li>• <i>Describe any comments/complaints received and responses to the comments/complaints.</i></li> </ul>	
Capacity		
K	<p>Training</p> <p>Points will be awarded for a member of the applicant, sub-recipient or administrator staff who has participated in a housing or community development related training in the past 24 months.</p> <p><i>Attach copies of the training completion certificate(s) in Tab K.</i></p>	
K	<p>Certification</p> <p>Points will be awarded for a member of the applicant, sub-recipient or administrator staff who has completed the following certifications (see list on Page 23 of this document) within the past three years.</p> <p><i>Attach copies of the certification completion documentation in Tab K.</i></p>	
Financing		
L	<p>Public Participation</p> <p>Points will be awarded to applicants whose proposed project has received a firm commitment of other public funds.</p> <p><i>Submit a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed project and (b) the amount of funding.</i></p>	



L	<p>Leveraging of Other Funding Sources</p> <p>Points will be awarded to applicants whose proposed project has received a firm commitment of Other Leveraged Funding Sources.</p> <p><i>Submit a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed project and (b) the amount of funding.</i></p>	
Unique Features & Partnerships		
M	<p>Unique Features</p> <p>Points will be awarded to projects proposing Unique Features. Features receiving points in other sections of this application will not be considered for Unique Feature points.</p> <p><i>Submit a narrative summary of the proposed unique features in Tab M.</i></p>	
M	<p>Partnerships</p> <p>Points will be awarded for partnerships with an Area Agency on Aging and/or for Energize Indiana.</p> <p><i>Submit MOUs for each partnership in Tab M.</i></p>	



## Scoring

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If an application meets all applicable requirements, it will be evaluated and scored based on:

Scoring Category	Points Possible
Project Characteristics	50
Readiness	10
Capacity	30
Financing	10
Unique Features & Partnerships	10
Completeness Bonus	5
<b>Total Possible Points</b>	<b>115</b>

When there is a scoring criteria based on the county being served and there are multiple counties, the applicant should add up the scores from each county and average them, rounding to the nearest whole number.

### **Project Characteristics** **Category Maximum Points Possible: 50**

This scoring category describes the proposed OOR project. There are 50 total possible points for this scoring category. The points can be achieved through the following sub-categories: Constituency Served, Targeted Population, Comprehensive Community Development, and Services.

- 1) *Constituency Served* *Maximum Number of Points: 8*  
 If the development commits to serving beneficiaries in IHCDA-assisted units with maximum incomes lower than required by the CDBG program and maintains housing costs at affordable rates, points will be awarded in accordance with the following chart. Percentages are of the area median income (AMI) for the county in which the development is to be located. Awarded recipients will be held to the unit commitment in their award agreement. Changes to the AMI levels will require prior IHCDA approval.

Constituency Served	Points
20% of Population served at or below 30% AMI	8

- 2) *Targeted Populations* *Maximum Number of Points: 20*  
 Points will be awarded to applicants that target populations with special housing needs in accordance with the following charts. A project may address up to two types of populations in one OOR project and therefore may receive points from more than one chart. Details of the target populations can be found within this section. Specific definitions can be found in the Glossary.

Target Population: Aging in Place	Points
100% of Population served 55 and Older and/or Disabled	20
50% - 99% of Population served 55 and Older and/or Disabled	10
Below 50% of Population served 55 and Older and/or Disabled	0



Aging in Place (AIP) refers to making our living environment safe and adaptable so that everyone can remain independent and continue to thrive in their homes and community even as circumstances change. Therefore AIP not only refers to elderly persons but also to persons with physical and mental disabilities.

In order to receive points for AIP OOR projects must satisfy the following criteria:

- Households will qualify for the AIP target population if there is at least one elderly person living in the home or if there is at least one physically or mentally disabled person living in the home.
- The modifications made to the home with IHCD A OOR funding must be for accessibility, livability, and visitability.
  - Submit a narrative explaining the specific proposed OOR improvements for the AIP project and how these improvements will enhance accessibility, livability and visitability. Attach in Tab I.

Target Population: Families with Children	Points
100% of Population served is Families with Children	15
50% - 99% of Population served is Families with Children	10
Below 50% of Population served is Families with Children	0

- 3) *Comprehensive Community Development* *Maximum Number of Points: 10*  
 Points will be awarded to applicants whose projects contribute to the revitalization of existing areas. Points will be awarded based on the chart below.

Comprehensive Community Development	Points
An explanation of how this project is part of a larger revitalization effort.	1
Evidence that this project is part of a comprehensive revitalization or development plan.	5
The OOR project is located in a targeted area.	1
Adoption of the plan by a Local Unit of Government.	2
A letter from the highest elected local official certifying that the OOR project will assist in the revitalization of the specific neighborhood or area.	1

OOR projects with a Comprehensive Community Development focus are a part of a broader, more comprehensive approach to area improvement. These projects have the capability of contributing to fundamental change to the character of a targeted area. Further explanation of the points categories are explained:

In order to receive points under the Comprehensive Community Development scoring sub-category, the applicant must submit the following in Tab I:



- An explanation of how this project is part of a larger revitalization effort should be explained in the Narrative and Need section of the application. You should include information regarding target size, a plan, the efforts already completed or underway, local support for this and other projects in the revitalization efforts, funding commitments, what is the intended impact and how impact will be measured, etc.
- Evidence that this project is part of a comprehensive revitalization or development plan. Ideally this will be a comprehensive or revitalization plan for the town/city where the project is located. The plan must be no older than five years and should include: (a) a target area, (b) detailed policy goals, which must include the rehabilitation of owner-occupied homes, (c) implementation measures along with specific, current, and ongoing time frames for the achievement of such policies and housing activities, (d) an evaluation of current area conditions.
  - Submit the following as supporting documentation for the plan::
    - Copy of the entire plan;
    - A short narrative about the efforts that lead to the creation of the plan and how the need for owner-occupied rehabilitation was identified as an area need to be included in the plan;
    - A bulleted list that includes page numbers of where to find:
      - References to the need for affordable owner-occupied rehabilitation in the project target area
      - An evaluation of current area conditions
      - Public participation

The following will not be considered for points as eligible plans for this category: short-term work plans, consolidated plans, municipal zoning plans, or land use plans, plans that are older than five years old and plans that do not reflect the current target area conditions.

- Target Area - Submit a scaled map that includes the project area boundaries and the specific OOR sites with a map key labeling the site addresses. Clearly label the boundaries and indicate the size of the target area. Attach in Tab I.
- Evidence of Adoption - Submit a copy of the resolution by the Local Unit of government adopting the plan. Attach in Tab I.
- Local Support – Submit a letter from the highest elected local official certifying that the OOR project will assist in the revitalization of the specific neighborhood or area. Attach in Tab I.

4) *Services*

*Maximum Number of Points: 12*

Points will be awarded to applicants whose projects contribute to the overall quality of life for the beneficiaries of the proposed OOR project. Points will be awarded based on the chart below.

Level of Services	Points Possible
Level 1 Services: Up to three services at one point each.	3
Level 2 Services: Up to three services at two points each.	6
Level 3 Services: Up to three services at four points each.	12



In order to receive points for this scoring category, the applicant must submit in Tab I:

- **One** Form A: One Homeowner Investment Plan Matrix listing all services for the entire proposed OOR program (found at the end of this Application Package);
- Form B: Homeowner Investment Plan Matrix for **each** service provider with original signatures (found at the end of this Application Package);
- A brief narrative explaining how these services will enhance the targeted population for the proposed OOR project.

**Readiness** **Category Maximum Points Possible: 10**

This category describes the applicant’s ability to begin and timely execute an awarded project.

1) *Client Intake*

*Maximum Number of Points: 12*

Points will be awarded to applicants that have already begun the client intake process, according to the chart below. If the applicant, sub-recipient, or administrator has already begun client intake, submit a copy of the client intake list in Tab J.

% of Assisted Units	Points
25 - 50% of the units	6
51 - 75% of the units	8
76 - 100% of the units	10

2) *Public Hearing*

Two public hearings are required. One public hearing **MUST** occur prior to application. Although this item is not scored, the following **is required** in order for the applicant to meet threshold requirements.

*Provide the ALL of the following in Tab J:*

- *Original tear sheet or original publisher’s affidavit of legal notice that includes the date of the public hearing and the date of notice publication. Under Indiana Code (I.C. 5-3-1-2 (B)) there must be a minimum of one legal notice at least ten (10) calendar days prior to the public hearing.*
- *Describe methods used to solicit participation of low and moderate-income persons.*
- *A copy of the sign-in sheet.*
- *A copy of the minutes of the public hearing, which must include the date and time of the meeting, the name and title of the person running the meeting and anyone who presented at the meeting, and all content posed to the public.*
- *Describe any comments/complaints received and responses to the comments/complaints.*



**Capacity** **Category Maximum Points Possible: 30**

This category evaluates the applicant’s ability to successfully carry out the proposed OOR project based on trainings, certifications and/or experience in housing or community development.

- 1) *Training* *Maximum Number of Points: 5*  
 Points will be awarded for a member of the applicant, sub-recipient or administrator staff who has completed a housing or community development related training in the past 24 months. Two points will be awarded for the first training and one point per additional training, up to five points possible. Attach copies of the training completion certificate in Tab K.

Training	Points
Housing or community development related training	2 for the first training, 1 point for each additional training up to 5 points

- 2) *Certification* *Maximum Number of Points: 10*  
 Points will be awarded for a member of the applicant, sub-recipient or administrator staff who has completed the following certifications within the past five years. Five points awarded for the Certified Aging-in-Place Specialist certification. Two and a half points will be awarded for all other certifications, up to ten points. Attach copies of the certification completion in Tab K.

Certification	Points
Certification from one of the certifications listed below	5 points for the Certified Aging-in-Place Specialist certification, 2.5 points for all other certifications, up to 10 points

Certification	Sponsoring Organization
Project Development Training	Indiana Association for Community and Economic Development (IACED)
Housing Development Finance Professional	National Development Council (NDC)
Community and Neighborhood Revitalization Certificate	NeighborWorks America
Bank of America Neighborhood Builder® Leadership Program	The Center for Leadership Innovation
Certified Aging-in-Place Specialist	National Association of Home Builders (NAHB)
CDBG Grant Administration Certification	Office of Community and Rural Affairs, State of Indiana

- 3) *Experience* *Maximum Number of Points: 5*  
 Points will be awarded for a member of the applicant, sub-recipient or administrator staff with successful experience in administering an IHCDA OOR award in the past three years. In order to qualify for points, the awards must be closed out. Please list the award numbers in the application forms.



Experience	Points
Applicant, sub-recipient or administrator staff member with experience administering at least two IHCDAs OOR awards in the past three years.  <p style="text-align: center;"><b>OR</b></p> Applicant, sub-recipient or administrator staff has 5 or more years of experience in the housing development industry.	2 for the first staff member, 1 point for each additional staff member, up to 5 points

- 4) *Previous IHCDAs Award Performance* *Maximum Number of Points: 10*  
 Points will be awarded to an applicant where the applicant, sub-recipient, AND administrator have not had any monitoring findings and who have expended award funds in a timely manner for all IHCDAs awards in the past three years. Timely expenditure of funds includes lack of award extensions.

Description of Previous Award Performance	Points
Most recent IHCDAs OOR award had no findings and no concerns. Award must have closed within the last three (3) years.	10
Most recent IHCDAs OOR award had no findings, but concerns were noted. Award must have closed within the last three (3) years.	8
Most recent IHCDAs OOR award had only one finding. Award must have closed within the last three (3) years.;  <p style="text-align: center;"><b>OR</b></p> No OOR experience, but previous IHCDAs award (different activity) had no findings and no concerns. Award must have closed within the last three (3) years.	6
No OOR experience; previous IHCDAs award (different activity) had no findings, but concerns were noted. Award must have closed within the last three (3) years.	4
No OOR experience; previous IHCDAs award (different activity) had only one finding. Award must have closed within	2



the last three (3) years.	
Does not meet any category above. Examples: <ul style="list-style-type: none"> <li>• More than one finding on previous award</li> <li>• No award closed within last three (3) years</li> <li>• No previous experience with IHCD.A.</li> </ul>	0

**Financing**

**Category Maximum Points Possible: 10**

1) *Public Participation*

*Maximum Number of Points: 5*

Points will be awarded to applicants whose proposed project has received a firm commitment of other public funds. A “firm commitment” means that the funding does not require any further approvals. “Public funds” include federal, state, or local government funds. This can include funds awarded from other federal or state agencies, the Federal Home Loan Bank, or waivers resulting in quantifiable cost savings that are not required by federal or state law.

Points will be awarded based on the Amount of Public Participation Funding/Total Project Costs:

% of Total Development Cost	Point(s)
.50% to .99%	1
1.00% to 1.99%	2
2.00% to 2.99%	3
3.00% to 3.99%	3.5
4.00% to 4.99%	4
Greater than 5.00%	5

In order to qualify for points in this category the applicant must submit in Tab L a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed project and (b) the amount of funding.

2) *Leveraging of Other Sources*

*Maximum Number of Points: 5*

Points will be awarded to applicants whose proposed project has received a firm commitment to leverage other funding sources. A “firm commitment” means that the funding does not require any further approvals. “Other funding sources” include (but are not limited to) private funding, funds from a local community foundation, donations, etc.

Points will be awarded based on the amount of Other Funding Sources Leveraged/Total Project Costs:

% of Sources	Point(s)
.50% to .99%	1



1.00% to 1.99%	2
2.00% to 2.99%	3
3.00% to 3.99%	3.5
4.00% to 4.99%	4
Greater than 5.00%	5

In order to qualify for points in this category the applicant must submit in Tab L a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed project and (b) the amount of funding.

**Unique Features & Partnerships** **Category Maximum Points Possible: 10**

1) *Unique Features* *Maximum Number of Points: 5*

Points will be awarded to applicants that offer unique features that contribute to each of the beneficiary units of the proposed OOR project. Unique features should be a creative addition to the proposed OOR program. They should enhance the overall character of the project, improve the homeowners' and the community's quality of life, health, and/or safety. Unique features can be included in the financial structure of the project, involve members of the community, include items specific to the target area/project location or could include special services offered to the population served.

Points are awarded relative to other projects being scored during each application cycle and are awarded in IHCDA's sole and absolute discretion. The following chart sets forth the anticipated percentage of applications that will receive points using a maximum of 5 points.

<b>% of Applications</b>	5%	8%	12%	16%	18%	16%	12%	8%	5%
<b>Points</b>	5	4.5	4	3.5	3	2.5	2	1.5	1

In order to receive points in this category, the applicant must submit in Tab M a narrative summary in of the proposed unique features. Features receiving points in other sections of this application will not be considered for Unique Feature points.

2) *Partnerships* *Maximum Number of Points: 5*

Points will be awarded for the following partnerships:

Area Agency on Aging (AAA)

AAA's deliver services to older adults and people with disabilities of any age and their caregivers. They provide Information about resources and service providers, assess needs for service, make referrals to case managers, link to services, monitor consumer satisfaction and adjust services to meet changing needs. Learn more on their association website at <http://www.iaaaa.org/>

The MOU between the CDBG OOR Applicant and/or Administrator will create a partnership where the AAA will perform the assessments for aging needs for the Aging in Place OOR projects. The AAA will also assist in prioritizing the needed OOR improvements for the Aging in



Place OOR projects. An example MOU can be found in Form C at the end of this document. A copy of the MOU must be submitted in Tab M to meet threshold for this category.

Energize Indiana

Energizing Indiana is a united effort by the Indiana Office of Utility Consumer Counselor (OUCC), participating utilities, and consumer organizations to offer comprehensive energy efficiency programs that bring savings to communities across the state. With programs for homes, schools, businesses and commercial facilities, Energizing Indiana provides the education and tools you need to improve efficiency and conserve energy. Learn more about this effort on their website at [www.energizingindiana.com](http://www.energizingindiana.com)

The MOU between the CDBG OOR Applicant and/or Administrator will create a partnership where there is a referral and/or agreement to take advantage of the several types of programs the Energize Indiana initiative has to offer. An example MOU can be found in Form D at the end of this document. A copy of the MOU must be submitted in Tab M to meet threshold for this category.

Partnership Description	Points
An MOU between the applicant and/or administrator and the local Area Agency on Aging (AAA).	2.5
An MOU between the applicant and/or administrator and Energize Indiana.	2.5

**Bonus** Category Maximum Points Possible: 5

The applicant will receive 5 bonus points for answering all questions and turning in all required threshold documentation. Threshold documentation includes all scoring support documentation.



## Glossary of Terms

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Below are definitions for commonly used terminology found throughout the IHCD CDBG OOR application policy and forms and applicable to the IHCD CDBG OOR program.

*Administrator:* A procured entity that will assist carrying out the CDBG OOR program.

*Area Agency on Aging:* Area Agencies on Aging (AAAs) deliver services to older adults and people with disabilities of any age and their caregivers. They provide Information about resources and service providers, assess needs for service, make referrals to case managers, link to services, monitor consumer satisfaction and adjust services to meet changing needs. Learn more on their association website at [www.iaaa.org](http://www.iaaa.org)

*Aging in Place:* Making a living environment safe and adaptable so that everyone can remain independent and continue to thrive in their homes and community even as circumstances change.

*Beneficiary:* The household or unit that received homeowner repair work as a result of the CDBG OOR grant.

*CAPS:* Certified Aging in Place Specialist (CAPS) is a certification offered by the National Association of Home Builders (NAHB). As defined by the NAHB: The CAPS designation program teaches the technical, business management, and customer service skills essential to competing in the fastest growing segment of the residential remodeling industry: home modifications for the aging-in-place. More information is available on NAHB's website at [www.nahb.org](http://www.nahb.org).

*CDBG:* The Community Development Block Grant (CDBG) program is a federally funded program that provides states and communities with resources to address a wide range of unique community development needs. The CDBG program provides annual grants on a formula basis to 1209 general units of local government and States. The Indiana Housing and Community Development Authority (IHCD) is a State Administered CDBG program. The IHCD allocates awards in the form of grants to Local Units of Government that carry out CDBG OOR projects.

*Children:* Children are defined as those persons ages 18 years of age or younger. The child must reside in the home that will benefit from the OOR program.

*Comprehensive Community Development:* Every community strives to be a place where people choose to live, work, and play. Comprehensive development means that a community's potential lies in the identification and creation of a shared vision, planned by local leadership, and carried out by an array of partners. When successful, it yields results beyond what can be achieved by individual organizations or disparate programs because of the unique synergy they generate. A thriving community is a community with job opportunities, strong schools, safe neighborhoods, a full range of housing choices, and a vibrant culture. Comprehensive development marshals resources and deploys coordinated strategies in a concentrated area to create opportunities for others in the community to take prudent risks and reap the rewards. The demolition of blighted structures, the rehabilitation of long-vacant housing and the creation of new community amenities and retail opportunities serve as a tipping point for future development through market forces.



*Disabled:* The Fair Housing Act defines disability as a person who has/is:

- A physical or mental impairment which substantially limits one or more of such person's major life activities; or
- A record of having such an impairment; or
- Is regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act).

*Elderly:* A person 55 years of age or older. This target population category also includes families with a person living in their home that is 55 years of age or older and modifications to the home are needed so this person may age in place in the home benefitting from the OOR program with the family.

*Energize Indiana:* Energizing Indiana is a united effort by the Indiana Office of Utility Consumer Counselor (OUCC), participating utilities, and consumer organizations to offer comprehensive energy efficiency programs that bring savings to communities across the state. With programs for homes, schools, businesses and commercial facilities, Energizing Indiana provides the education and tools you need to improve efficiency and conserve energy. Learn more about this effort on their website at [www.energizingindiana.com](http://www.energizingindiana.com)

*Entitlement Community:* The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons.

*IHCDA:* Indiana Housing and Community Development Authority

*Income Limits:* Maximum incomes as published by HUD for projects giving the maximum Income Limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

*Inspection:* A scheduled visit made by an Inspector to the households units that received IHCDA CDBG OOR grant dollars. All IHCDA-assisted households/units that have received CDBG and CDBG-D must be inspected twice during the award period. The first inspection will occur at the completion of the documented scope of work and prior to the IHCDA Inspector's final physical inspection. The second inspection will be conducted upon completion of the construction for the award. The IHCDA Inspector will conduct the physical inspections.

*Median Income:* A determination made through statistical methods establishing a middle point for determining Income Limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

*MOU:* A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

*Narrative:* A written description by the applicant that describes the application question and generally supports the need of the project.



*OOR*: Owner-Occupied Rehabilitation

*Project*: The CDBG OOR activity proposed in the application.



**List of appendices to the IHCDA 2013 CDBG OOR  
Application:**

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Form A: Homeowner Investment Plan Matrix

Form B: Homeowner Investment Plan Service Agreement

Form C: Memorandum of Understanding for Area Agency on Aging

Form D: Memorandum of Understanding for Energize Indiana

Form E: Owner-Occupied Repair Rehabilitation Priority List



**Form A: Homeowner Investment Plan Matrix**

Service Provider/Agent/Organization			
CDBG Applicant Name:			
Subrecipient and/or Administrator Name:			
Service Provider Name:			
Street Address:			
City:		County:	
Place a "X" next to the targeted population			
Households with persons with physical and/or development disabilities		Households persons with mental impairments	
Households with children		Households with elderly	
Other:			

LEVEL 1 SERVICES = 1 Point per Service (up to 3 services for points = total 3 points possible)			
Homeowner Investment Plan Services & Description			
Service	Brief Description of Service	Location of Service	Points
<input type="checkbox"/> Food Pantry Referral			
<input type="checkbox"/> Clothing Pantry Referral			
<input type="checkbox"/> 2-1-1/ Information & Referral			
<input type="checkbox"/> Smoking Cessation			
<input type="checkbox"/> Coupons to Local Public/ Private Facilities			

LEVEL 2 SERVICES = 2 Points per Service (up to 3 services for points = total 6 points possible)			
Homeowner Investment Plan Services & Description			
Service	Brief Description of Service	Location of Service	Points
<input type="checkbox"/> Computer Training Classes			
<input type="checkbox"/> Nutrition Classes/ Food Preparation Classes			
<input type="checkbox"/> Exercise Classes			
<input type="checkbox"/> Resume Building			
<input type="checkbox"/> GED/ Adult Education			
<input type="checkbox"/> Tax Preparation Assistance			
<input type="checkbox"/> Blood Pressure Screening			
<input type="checkbox"/> Other:			
<input type="checkbox"/> Other:			



<input type="checkbox"/>	Other:			
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<b>LEVEL 3 SERVICES = 3 Points per Service (up to 4 services for points = 12 points possible)</b>				
<b>Homeowner Investment Plan Services &amp; Description</b>				
	Service	Brief Description of Service	Location of Service	Points
<input type="checkbox"/>	Homeowner Repair Instruction			
<input type="checkbox"/>	Financial Literacy Instruction			
<input type="checkbox"/>	Legal Planning Assistance			
<input type="checkbox"/>	Emergency Response System			
<input type="checkbox"/>	Medication Delivery			
<input type="checkbox"/>	Home Healthcare			
<input type="checkbox"/>	Employment Services/ Vocational Rehab			
<input type="checkbox"/>	Meals on Wheels			
<input type="checkbox"/>	Assisted Living			
<input type="checkbox"/>	Adult Daycare/ Eldercare			
<input type="checkbox"/>	Substance Abuse Treatment			
<input type="checkbox"/>	Family Caregiver Support Program			
<input type="checkbox"/>	HUD Certified Counseling (Please specify):			
<input type="checkbox"/>	Other:			
<input type="checkbox"/>	Other:			
<input type="checkbox"/>	Other:			
<input type="checkbox"/>	Other:			



**Form B: Homeowner Investment Plan Service Agreement**

**HOMEOWNER INVESTMENT PLAN SERVICE AGREEMENT**

This agreement between (Applicant and Administrator (if applicable)) \_\_\_\_\_, \_\_\_\_\_, and (Service Provider/Agent/Organization) \_\_\_\_\_, is to confirm the activities and/or incentives offered to beneficiaries of (CDBG OOR project name) \_\_\_\_\_. The Applicant/Administrator agrees that in partnering with the Service Provider/Agent/Organization, programs should be offered that are tailored to meet the needs of the beneficiary homeowners in an effort to encourage homeowners to invest in themselves, their home, and the overall well-being of the neighborhood and/or community.

It is agreed by all signing parties that the Homeowner Investment Plan **adds no extra cost to the homeowner or the overall CDBG OOR project budget.** It is understood that some classes/activities offered might require a maintenance fee and it is up to the sole discretion of the beneficiary homeowner to engage in that activity, service and/or incentive. That fee must be minimal. The Homeowner Investment Plan Services may target beneficiary homeowners of the CDBG OOR project but **must be optional and the repairs made to the beneficiary home/unit must not be contingent upon participating in the activities, services and/or incentives offered.**

The Applicant and/or Administrator also agree to fill out the Form A: Homeowner Investment Plan Matrix, and attach the form to this agreement, listing the services that will be offered to the beneficiary homeowners, a brief description of the service, where the service is being offered and the level of the service.

This agreement and the services offered and listed on the Form A: Homeowner Investment Plan Matrix shall remain in effect for the life of the IHCDA CDBG OOR award. The Applicant/Administrator will be responsible for maintaining all services for the life of the IHCDA CDBG OOR (even if the Applicant/Administrator is required to find a different provider who will provide the same or comparable services to benefit the residents). In the event that a different provider is needed, the Applicant/Administrator will request approval for the change via a modification request to IHCDA.

*Applicant Authorized Signatory* \_\_\_\_\_  
*Printed Name* \_\_\_\_\_ *Date* \_\_\_\_\_

*Administrator Agent* \_\_\_\_\_  
*Printed Name* \_\_\_\_\_ *Date* \_\_\_\_\_

*Service Provider/Agent/Organization* \_\_\_\_\_  
*Printed Name* \_\_\_\_\_ *Date* \_\_\_\_\_



**Form C: Memorandum of Understanding for Area Agency on Aging**

WHEREAS (Applicant) \_\_\_\_\_, was awarded or anticipates receiving an award of Community Development Block Grant (CDBG) Owner Occupied Repair (OOR) funds from the Indiana Housing and Community Development Authority (IHCDA) for (number of units) \_\_\_\_\_, known as (CDBG OOR project name) \_\_\_\_\_ in (city or county) \_\_\_\_\_, Indiana; and

WHEREAS (name of local Area Agency on Aging) \_\_\_\_\_, provides services to older adults and people with disabilities of any age and their caregivers, particularly in the form of providing information about resources and service providers, assess needs for service, make referrals to case managers, link to services, monitor consumer satisfaction and adjust services to meet changing needs within (list County's the local AAA service) \_\_\_\_\_;

THEREFORE, (Applicant) \_\_\_\_\_, and (name of local Area Agency on Aging) \_\_\_\_\_, agree to the following partnership to allow (name of local Area Agency on Aging) \_\_\_\_\_, to perform the assessments for aging and disability needs for the (CDBG OOR project name) \_\_\_\_\_, and (name of local Area Agency on Aging) \_\_\_\_\_, also agrees to assist in prioritizing the needed OOR improvements for the Aging in Place OOR projects.

(Applicant) \_\_\_\_\_, shall:

- Agree that in partnering with (name of local Area Agency on Aging) \_\_\_\_\_, programs should be offered that are tailored to meet the needs of the beneficiary homeowners in an effort to encourage homeowners to invest in themselves, their home, and the overall well-being of the neighborhood and/or community.
- Agree that providing this assessment **adds no extra cost to the homeowner.**
- Identify and coordinate project beneficiary homeowners to the (name of local Area Agency on Aging) \_\_\_\_\_

(Name of Local Area Agency on Aging) \_\_\_\_\_, shall:

- Agree that in partnering with (Administrator) \_\_\_\_\_, programs should be offered that are tailored to meet the needs of the beneficiary homeowners in an effort to encourage homeowners to invest in themselves, their home, and the overall well-being of the neighborhood and/or community.
- Agree that providing this assessment **adds no extra cost to the homeowner.**
- Perform home assessments for project beneficiary homeowners as identified by (Applicant) \_\_\_\_\_.

IN WITNESS WHEREOF, the parties have executed, or caused this agreement to be executed by their duly authorized representatives, as of the date below written.

*Applicant Authorized Signatory* \_\_\_\_\_  
Printed Name \_\_\_\_\_ Date \_\_\_\_\_

*Administrator Agent* \_\_\_\_\_  
Printed Name \_\_\_\_\_ Date \_\_\_\_\_

*Area Agency on Agency* \_\_\_\_\_



Printed Name \_\_\_\_\_ Date \_\_\_\_\_

**Form D: Memorandum of Understanding for Energizing Indiana**

WHEREAS (Applicant) \_\_\_\_\_, was awarded or anticipates receiving an award of Community Development Block Grant (CDBG) Owner Occupied Repair (OOR) funds from the Indiana Housing and Community Development Authority (IHCDA) for (number of units) \_\_\_\_\_, known as (CDBG OOR project name) \_\_\_\_\_ in (city or county) \_\_\_\_\_, Indiana; and

WHEREAS Energizing Indiana, provides comprehensive energy efficiency programs for homeowners to improve efficiency and conserve energy within (CDBG OOR project City or County(ies)) \_\_\_\_\_;

THEREFORE, (Applicant) \_\_\_\_\_, and Energizing Indiana, agree to the following partnership to allow Energizing Indiana, to provide direct access to technical experts and money-saving actions for the beneficiary homeowners in the (CDBG OOR project name) \_\_\_\_\_.

(Applicant) \_\_\_\_\_, shall:

- Agree that in partnering with Energizing Indiana, programs should be offered that are tailored to meet the needs of the beneficiary homeowners in an effort to encourage homeowners to invest in themselves, their home, and the overall well-being of the neighborhood and/or community.
- Identify project beneficiary homeowners to Energizing Indiana

Energizing Indiana shall:

- Agree that in partnering with (Administrator) \_\_\_\_\_, programs should be offered that are tailored to meet the needs of the beneficiary homeowners in an effort to encourage homeowners to invest in themselves, their home, and the overall well-being of the neighborhood and/or community.

IN WITNESS WHEREOF, the parties have executed, or caused this agreement to be executed by their duly authorized representatives, as of the date below written.

*Applicant Authorized Signatory* \_\_\_\_\_  
Printed Name \_\_\_\_\_ Date \_\_\_\_\_

*Administrator Agent* \_\_\_\_\_  
Printed Name \_\_\_\_\_ Date \_\_\_\_\_

*Energizing Indiana Authorized Signatory* \_\_\_\_\_  
Printed Name \_\_\_\_\_ Date \_\_\_\_\_

**Form E: Owner Occupied Repair Rehabilitation Priority List**Determining the scope of work for Owner Occupied Repair:

The primary purpose of any rehabilitation using IHCD resources is to improve quality of life for the resident and enable them to stay in their home. Following is a priority list of eligible repairs. Items should be addressed in this order and/or deemed “not applicable” before moving onto the next item.

Eligible activities are not limited to this list but if not already noted actions must be assessed for where they fall in with priorities.

Items should be addressed in order of Health and Safety first, Structural stabilization second, then matters related to Aging in Place (where items do not fall under health and safety) and finally Energy Efficiency improvements.

IHCD will NOT approve replacement of decorative items/finishes (e.g. Siding, cabinets, moldings, floor or wall coverings) that are being addressed for cosmetic reasons. If an item is damaged and is unusable, or poses a hazard (such as lead paint) they may be repaired or possibly replaced. However, applicants may be required to show documentation demonstrating conditions and need.

Furthermore, windows and doors will NOT be replaced solely for increasing energy efficiency. Improvements can be made to existing doors and windows to increase efficiency such as storm doors, storm windows and air sealing. If the existing doors or windows are damaged beyond repair and pose a security risk or have deteriorated to the extent that encapsulation is not an effective means of controlling lead based paint hazards, then the item may be replaced. Once again though, the applicant may be required to show documentation demonstrating condition and need.

The attached priority list should be used when evaluating a home for repair and is required to be submitted with the Environmental Review site specific documentation. The list will be reviewed again during the final inspection.



**REHABILITATION PRIORITY LIST**

**Priority #1: Health and Safety**

- a. \_\_\_\_ Lead based paint hazards identified by a risk assessment or lead inspection
- b. \_\_\_\_ Moisture intrusion (including mold assessment and remediation as needed)
- c. \_\_\_\_ Installation of combination audible/visual smoke alarms in accordance with the State Building Code
- d. \_\_\_\_ Non-functioning furnace
- e. \_\_\_\_ Combustion appliance health/safety issues and code violations
- f. \_\_\_\_ Electrical system hazards and building code violations
- g. \_\_\_\_ Plumbing deficiencies and building code violations, including sewer/septic
- h. \_\_\_\_ Urgent AIP modifications :
  - Access to entry door (clear path, ramp, etc.)
  - emergency alert systems
  - update any systems needed for necessary medical equipment

**Priority #2: Structural**

- i. \_\_\_\_ Roof issues- defective roof covering, decking, structural issues, flashing, gutters
- j. \_\_\_\_ Structural component and foundation issues
- k. \_\_\_\_ (various structural issues, interchangeable priority level)
  - Pest infestation
  - Interior walls and ceilings- can be repaired as part of lead hazard control measures or structural issue
  - Porches/sidewalks
  - Windows- repaired/replaced as part of lead hazard control measures or structural/security issue
  - Doors- repaired/replaced as part of lead hazard control measures or structural/security issue

**Priority #3: Aging in Place Improvements**

- l. \_\_\_\_ Accessibility improvements not already addressed in health and safety
- \*If Aging in Place program, items listed in the beneficiary’s assessment must be addressed

**Priority #4: Energy**

- m. \_\_\_\_ HVAC deficiencies identified by an energy audit
- n. \_\_\_\_ Insulation and air sealing measures identified by an energy audit

**Miscellaneous items** - after all other priorities have been addressed and if there is funding remaining additional items may be done for increased comfort

- Window and door replacement (not addressed under structural criteria)
- Floor coverings (not addressed under criteria for another priority)
- Replacement of kitchen appliances
- Siding (not addressed under lead hazard criteria)